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**Temporary
Annuity**

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*California
Public
Employees'
Retirement
System*

Temporary Annuity

Temporary annuity is an additional monthly income you may choose to augment your pension from CalPERS. This additional benefit may enable you to coordinate your CalPERS benefit with other income you may receive, for example, from deferred compensation or Social Security, and allow you to retire earlier.

The benefit is payable from your retirement date to a specific age that you select — 59½ or any whole age from 60 to 68. You can also name the dollar amount you wish to receive within certain limitations. *It is important to note that this benefit is not free.* Your CalPERS monthly lifetime retirement allowance is reduced to pay for your temporary annuity.

Angled Unicorn

Acanthina spiratu

Common throughout much of California, the angled unicorn is a predator of barnacles. The shell appears turreted because of the sharp angle at the “shoulder” of each whorl.



Am I Eligible?

To be eligible for temporary annuity you must be retiring with a service retirement. You are not eligible for temporary annuity if you retire for disability.

How Does it Work?

Your lifetime retirement allowance will be reduced for each dollar of temporary annuity you receive.

Tables and examples which give you an estimate of the amounts which will be subtracted from your allowance are shown on Pages 7-10. The amounts listed on these tables are based on \$100 of temporary annuity. Only whole years are shown, but you should be aware that the cost decreases for each quarter year of your age.

What if I Die Before my Temporary Annuity Benefits End?

If you die before your temporary annuity ends, the remaining payments will be paid in a lump sum to your eligible beneficiaries.

Can Temporary Annuity Affect my Beneficiaries in Other Ways?

Yes. Since you will be reducing your monthly lifetime allowance in order to receive a temporary annuity, you will also be reducing the monthly lifetime allowance available to a beneficiary.

Temporary annuity will not affect Survivor Continuation if your retirement includes this benefit. Survivor Continuation will still be based on your retirement allowance before any reduction for temporary annuity. If you are unsure whether Survivor Continuation will apply to you, call CalPERS or your employer.

What About my Income Taxes?

The Internal Revenue Service or the State Franchise Tax Board can advise you on how a temporary annuity would affect your income tax.



Can I Receive an Estimate for Temporary Annuity?

You can request an estimate of your retirement allowance including temporary annuity by writing to CalPERS, Benefit Application Services Division, P.O. Box 942717, Sacramento, CA 94229-2717.

We recommend that you request an estimate nine months prior to your anticipated retirement date. Make sure your request includes the following information: your name, birthdate, Social Security number, mailing address, and tentative retirement date. In addition, let us know the age you wish temporary annuity benefits to cease and the amount of temporary annuity desired. If you want us to calculate options that provide a monthly allowance payable to a beneficiary, include the beneficiary's birthdate and relationship to you.

Also, let us know if you have received a monthly allowance from CalPERS before or if you will have been married less than one year before your retirement date.

Ribbed limpet

Collisella scabra

Is most commonly seen on the tops of rocks that are relatively bare. Large specimens are about 2.5 cm long. Collisella scabra wanders freely at night and when its habitat is submerged. As the tide recedes it will return to "home base," which is typically located in a noticeable depression on the surface of a rock.



How do I Apply for a Temporary Annuity?

You must complete an Application For Service Retirement (PERS-BAS-369S) to apply for a temporary annuity. On this form is a section where you will show whether you want to receive a temporary annuity, to what age, and the amount of temporary annuity desired. Send the form to CalPERS at least three months before your retirement date.

Shortly before your retirement date you will receive a form titled Election Of Optional Settlement And Beneficiary Designation (PERS-BAS-898). It will show both your reduced lifetime allowance and the amount of

temporary annuity (based on the amount and age you requested). It will also show figures for any options you may have requested. Sign this form, have it notarized, and return it to CalPERS.

Other Important Information

- Your CalPERS allowance may not be reduced by more than one-half to pay for a temporary annuity.
- Your CalPERS allowance may not be reduced by an amount greater than the pension portion of your allowance.
- The temporary annuity will be combined in one check with your reduced lifetime allowance until the temporary annuity ends.
- Any cost-of-living adjustments will apply to both the reduced lifetime allowance portion and the temporary annuity portion. When the temporary annuity ends, any cost-of-living adjustments which had been applied to it will also end.
- Your final temporary annuity payment will be included in your monthly allowance issued at the beginning of your birth month. For example, if your birthday is June 28, your temporary annuity will end with your June 1 payment.

For More Information

Benefit Application Services Division

P.O. Box 942711

Sacramento, CA 94229-2711

(916) 326-3232

(916) 326-3240—TDD

(916) 326-3934—Fax

Area and Field Offices

Refer to *Do You Have The Right Number?*

(PERS-PUB-19) for a directory to CalPERS

Area and Field Office locations.

Internet Address

www.calpers.ca.gov

While reading this material, remember that we are governed by the California Public Employees' Retirement Law. The statements in this booklet are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

How Temporary Annuity Works

This reduction table was adopted in 1982 for those who became CalPERS members on or after July 1, 1982 or who otherwise do not have credit for CalPERS service earned before July 1, 1982. If either situation applies to you, use this table.

Cost Per \$100 Of Temporary Annuity Amounts

		Termination Age									
		59 1/2	60	61	62	63	64	65	66	67	68
Age at Retirement	50	\$55.11	\$57.19	\$61.19	\$64.95	\$68.48	\$71.80	\$74.92	\$77.86	\$80.62	\$83.21
	51	51.31	53.55	57.85	61.89	65.69	69.27	72.63	75.79	78.76	81.55
	52	47.15	49.56	54.19	58.55	62.64	66.48	70.10	73.50	76.70	79.70
	53	42.60	45.20	50.19	54.88	59.29	63.43	67.33	70.99	74.43	77.67
	54	37.62	40.42	45.79	50.85	55.60	60.07	64.26	68.21	71.92	75.41
	55	32.16	35.18	40.98	46.43	51.55	56.37	60.89	65.15	69.15	72.91
	56	26.17	29.43	35.68	41.56	47.09	52.29	57.17	61.77	66.08	70.14
	57	19.60	23.12	29.87	36.22	42.19	47.80	53.08	58.03	62.70	67.08
	58	12.38	16.18	23.48	30.34	36.79	42.85	48.55	53.91	58.95	63.68
	59	4.37	8.56	16.45	23.87	30.84	37.39	43.56	49.35	54.80	59.92
	60			8.71	16.73	24.28	31.37	38.04	44.31	50.20	55.74
	61				8.87	17.04	24.72	31.94	38.73	45.11	51.11
	62					9.03	17.36	25.19	32.55	39.47	45.97
	63						9.22	17.71	25.70	33.20	40.26
	64							9.41	18.09	26.24	33.91
	65								9.63	18.50	26.84
	66									9.86	18.94
	67										10.11

Examples for CalPERS-covered employment July 1, 1982 or thereafter:

1. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 59 1/2**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$26.17 x 5 = \$130.85**

Your monthly lifetime allowance would be reduced by \$130.85, and for three and one-half years you would receive an additional monthly temporary annuity of \$500.

2. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 63**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$47.09 x 5 = \$235.45**

Your monthly lifetime allowance would be reduced by \$235.45, and for seven years you would receive an additional monthly temporary annuity of \$500.

3. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 68**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$70.14 x 5 = \$350.70**

Your monthly lifetime allowance would be reduced by \$350.70, and for 12 years you would receive an additional monthly temporary annuity of \$500.

How Temporary Annuity Works

If you have any CalPERS service credit earned before July 1, 1982, use this table.

Cost Per \$100 Of Temporary Annuity Amounts

		Termination Age									
		59 1/2	60	61	62	63	64	65	66	67	68
Age at Retirement	50	\$52.62	\$54.60	\$58.42	\$62.01	\$65.38	\$68.55	\$71.54	\$74.34	\$76.97	\$79.45
	51	48.90	51.03	55.13	58.99	62.61	66.01	69.22	72.23	75.06	77.72
	52	44.85	47.14	51.55	55.69	59.58	63.24	66.68	69.91	72.95	75.81
	53	40.44	42.91	47.64	52.09	56.28	60.21	63.91	67.39	70.66	73.73
	54	35.64	38.29	43.38	48.17	52.67	56.90	60.88	64.62	68.13	71.44
	55	30.40	33.26	38.74	43.89	48.73	53.28	57.56	61.59	65.37	68.93
	56	24.68	27.76	33.66	39.20	44.42	49.32	53.93	58.26	62.33	66.16
	57	18.44	21.75	28.10	34.08	39.69	44.97	49.93	54.60	58.99	63.11
	58	11.62	15.19	22.03	28.47	34.52	40.21	45.56	50.58	55.31	59.75
	59	4.09	8.01	15.39	22.33	28.85	34.98	40.75	46.17	51.26	56.05
	60			8.12	15.61	22.64	29.26	35.48	41.32	46.82	51.99
	61				8.24	15.84	22.98	29.69	36.00	41.94	47.51
	62					8.37	16.09	23.34	30.16	36.57	42.59
	63						8.51	16.35	23.73	30.66	37.18
	64							8.66	16.65	24.15	31.21
	65								8.83	16.96	24.61
	66									9.01	17.31
	67										9.20

Examples for CalPERS-covered employment prior to July 1, 1982:

1. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 59 1/2**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$24.68 x 5 = \$123.40**

Your monthly lifetime allowance would be reduced by \$123.40, and for three and one-half years you would receive an additional monthly temporary annuity of \$500.

2. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 63**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$44.42 x 5 = \$222.10**

Your monthly lifetime allowance would be reduced by \$222.10, and for seven years you would receive an additional monthly temporary annuity of \$500.

3. Age at Retirement: 56

**Temporary Annuity Termination
Age Designated: 68**

**Monthly Temporary Annuity
Specified: \$500**

**Cost of Temporary Annuity:
\$66.16 x 5 = \$330.80**

Your monthly lifetime allowance would be reduced by \$330.80, and for 12 years you would receive an additional monthly temporary annuity of \$500.

***California Public Employees’
Retirement System***

400 P Street

Sacramento • CA 95814

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